

To: Shaw, Hanh[Shaw.Hanh@epa.gov]
Cc: Lidgard, Michael[Lidgard.Michael@epa.gov]
From: Seyfried, Erin
Sent: Wed 5/1/2013 10:17:57 PM
Subject: RE: Geotech NOI and Shell

Hi Hanh -

I was just reviewing my notes from my call with Heather Ptak and Lana Davis, which occurred yesterday (Tuesday, April 30) at 11:30am. I just wanted to clarify exactly what I said (as I didn't have my notes with me during our meeting), in case any follow up is required.

Heather raised Shell's collective concern regarding the NOI requirements, and required processing time prior to authorization being granted under the future geotech GP. I told her that EPA had not had a chance to talk to DEC regarding their comments during the Monday (4/29) meeting, nor had we had an opportunity to discuss this internally. I told her that it was not our intent to hold up their activities, but that I could not guarantee an effective permit by the time they needed to enter into contractual agreements with vessels (referencing this year's timeline when they wanted their contracts signed by Jan/Feb). I told her that regardless of what the GP NOI submittal timeline requirements end up being, that we would do our best to expedite reviews of NOI packages and issue coverage letters to operators who met all of the submittal requirements.

I also told her that Shell would have to accept the fact that we are doing our best to issue this permit as quickly as possible, but that they would have to realize that it is unlikely that we will have a final permit prior to March 2014 (i.e. by the time they begin their contract discussions for vessels).

Heather ended that part of the discussion by saying that she felt that this issue of the permitting timeline would likely be elevated. I had planned on talking to you today, and didn't realize that her statement meant that yesterday afternoon it was to be brought up to Dennis.

Other notes:

- Heather stated that they would wait to begin trenching work, likely starting in 6 years.
- Shell would like to meet with EPA in June regarding the EMP for 2014 Exploration Activities.
- I told Heather/Lana that EPA was approaching the Geotech permit with a very open mind and that our intent was not to prevent operators from conducting the work they needed to perform. I told her that it was imperative that they provide as much information to us now, so that we can fully scope our permit development. That being said, if they had information that we didn't explicitly request, please share it with us or meet with us to discuss those thoughts (this statement was geared towards their knowledge/understanding of the biology, etc....within the 25 deferral area).

Let me know if you have any questions about this conversation...

Thanks,
Erin

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-----Original Message-----

From: Shaw, Hanh

Sent: Wednesday, May 01, 2013 1:18 PM

To: Opalski, Dan

Cc: Soderlund, Dianne; Lidgard, Michael; Seyfried, Erin

Subject: Geotech NOI and Shell

Hi Dan,

Dianne participated in a phone conversation between Dennis M, Shell (Pete Slaiby and staff), and the air program yesterday afternoon. The conversation was mainly about air permitting; however, Shell used the opportunity to raise the NOI question, the same one they raised during Monday afternoon's meeting, which is what would be the NOI requirements under the geotech general permit?

As Dennis was not aware of the issue, Dianne responded to the question by reiterating the following key points we expressed during the meeting: (1) EPA needs answers to our questions from Shell, and the other companies, by the requested date in order to refine the scope of the permit; and (2) while the NOI question was raised during the meeting and preliminary options discussed, such as potentially considering the individual permit application as an NOI submission, we will need to have further discussions internally before providing a definitive response. Dennis and Slaiby is scheduled to have another check-in discussion next week and Dianne asked that I summarize the issue for you to share with Dennis as you see fit.

Finally, please let me know if you are interested in what the NPDES regulations say about notices of intent. It would be a simple cut-and-paste job to share that with you.

Hanh

Dennis -

Dianne and I, along with staff from OWW and AOO, participated in a meeting with the Alaska Oil and Gas Association (AOGA) and other industry representatives, including Shell, on Monday April 29. The meeting was also attended by DEC, DNR, BOEM, and BSEE. The purpose of the meeting is to discuss the upcoming geotechnical permitting work in the Beaufort and Chukchi Seas for discharges to federal and state waters. During the meeting, Shell representatives expressed some anxiety about the timing of the estimated permit issuance date (April 2014), the effective date (May), appeal periods, requirements for submissions of the notices of intent and EPA authorizations for coverage. All of this, of course, is precipitated by their desire to have agency approvals in hand prior to the anticipated July 1 start date.

Non-Responsive

DanO